

AMENDED IN SENATE MAY 18, 2006

AMENDED IN SENATE MARCH 28, 2006

**SENATE BILL**

**No. 1788**

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**Introduced by Senator Bowen**

February 24, 2006

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An act to amend Section 884 of the Public Utilities Code, relating to broadband services.

LEGISLATIVE COUNSEL'S DIGEST

SB 1788, as amended, Bowen. Broadband services.

Existing law establishes the California Teleconnect Fund Administrative Committee to advise the Public Utilities Commission regarding the implementation, development, and administration of a program to advance universal service by providing discounted rates to qualifying schools, libraries, hospitals, health clinics, and community organizations, and to carry out the program pursuant to the commission's direction, control, and approval. Existing law establishes the California Teleconnect Fund Administrative Committee Fund in the State Treasury, and requires that moneys from the fund may only be expended upon appropriation in the annual Budget Act and requires that the moneys appropriated be utilized exclusively by the commission for the authorized programs. Existing law authorizes the commission to expend up to \$3,000,000 for up to an additional 40% of the one-time installation costs of advanced telecommunications services, as defined, for certain entities that do not have access to those services, from the unencumbered difference between what is appropriated and what is expended by the commission from the California Teleconnect Fund Administrative Committee Fund for the 2003–04 and 2004–05 fiscal years.

This bill would *instead* authorize the commission to expend up to \$3,000,000 for ~~up to an additional 40% of~~ the nonrecurring installation costs of high-speed broadband services, as defined, for nonprofit ~~community technology programs, as defined,~~ *community-based organizations* from the unencumbered difference between what is appropriated and what is expended by the commission from the California Teleconnect Fund Administrative Committee Fund for the 2003–04 and 2004–05 fiscal years.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 884 of the Public Utilities Code is  
2 amended to read:

3 884. (a) It is the intent of the Legislature that any program  
4 administered by the commission that addresses the inequality of  
5 access to high-speed broadband services by providing those  
6 services to schools and libraries at a discounted price, provide  
7 comparable discounts to a nonprofit community technology  
8 program.

9 (b) If the moneys expended from the California Teleconnect  
10 Fund Administrative Committee Fund are less than the amounts  
11 appropriated in the annual Budget Act for the 2003–04 and  
12 2004–05 fiscal years, from the unencumbered difference between  
13 what was appropriated and what was expended, notwithstanding  
14 any other law or existing program of the commission but  
15 consistent with the purposes for which those funds are  
16 appropriated, the commission may expend up to three million  
17 dollars (\$3,000,000) for ~~up to an additional 40 percent of~~ the  
18 nonrecurring installation costs for high-speed broadband services  
19 for nonprofit ~~community technology programs;~~ *community-based*  
20 *organizations that are eligible for discounted rates pursuant to*  
21 *Section 280.*

22 (c) For the purpose of this section:

23 (1) “High-speed broadband services” means a system for the  
24 digital transmission of information over the Internet at a speed of  
25 at least 384 kilobits per second.

26 (2) “Nonprofit community technology program” means a  
27 community-based nonprofit organization that is exempt from

1   taxation under Section 501(c)(3) of the Internal Revenue Code  
2   and engages in diffusing technology into local communities and  
3   training local communities that have no access to, or have limited  
4   access to, the Internet and ~~other~~ *advanced telecommunications*  
5   technologies.

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